

OGC HAS REVIEWED.

EXECUTIVE FOR ADMINISTRATION AND MANAGEMENT

28 October 1947

CHIEF, SERVICES BRANCH

Property Accountability

1. Reference your memorandum of 24 October 1947, Subject: "Property Accountability".

2. The suggestion of eliminating accountability in Offices of CIA, outside of the central record maintained by the Property Control Division, has been considered; and it is felt that such a change from the present system would be unworkable for the following reasons:

- (a) It is essential that the individual, who is the Supply Officer or acts in that capacity, is in a position to control the acquisition, disposition, and movement of property. Under the present procedure, the Accountable Officer is likewise the Supply Officer. It would be impractical to appoint all Responsible Officers as Supply Officers.
- (b) If the Supply Officer were not the Accountable Officer, he would be inclined to disregard property regulations and would feel free to move property about without consideration being given to the records of the Responsible Officers.
- (c) Responsible Officers are, in most cases, individuals of comparatively low classifications and are not in a position to exercise a great deal of authority over personnel using property charged to the Responsible Officer's account. The additional authority, which is required to control the flow and movement of property, can, under present circumstances, be exercised by the Accountable Officer, who is in a position to appeal to higher authority for administrative assistance when it is required. To eliminate this situation by obtaining Responsible Officers of a higher caliber would mean the appointment of some 120 Responsible Officers, and it is believed that this would be impractical, since such personnel have numerous other duties of a more important, technical, and operational nature, which would mean that the responsibility for property would be treated lightly.

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- (d) It would be impractical to devise a system which would directly control the property in the accounts of 120 Responsible Officers, since, on most items, it would require six separate cards, whereas under the present system one card is used.
- (e) Shortages and overages under the proposed change would be impossible to reconcile due to the movement of property between the Responsible Officers. The existence of Accountable Officers reduces this problem to a controllable minimum.
- (f) Such a procedure, it is believed, would be objectionable insofar as GSO is concerned, for the reason that under the proposed procedure there would be contact with a greater number of individuals in GSO, which might result in delving into matters which they consider CONFIDENTIAL.
- (g) Innumerable Government agencies have attempted the proposed procedure without success. Such a procedure was followed in GCS and found to be ineffective for the purpose of property control.

5. It is the opinion of members of the Services Branch that to follow this proposed procedure would mean a complete breakdown of the property system and, eventually, all property records and financial control of property, as well as the compliance with GAO Regulation No. 100, would be impossible. Your approval of the continuation of the present system is therefore recommended.

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Chief, Services Branch

I CONCUR

GENERAL COUNSEL

Date:

I CONCUR

CHIEF, BUDGET AND FINANCE BRANCH

(See below)

Date: 30 October 1947

The present system will permit a more current and accurate compliance with GAO Regulation No. 100.

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The proposed system will be more difficult to

in fully complying with GAO Regulation 100

MIMcHugh:mew

cc: MIM Chrono

Approved For Release 2001/08/28 : CIA-RDP57-00384R000800170018-9

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Mr. Houston